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BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA

In the Matter of:)	CRD NO.: 170940
)	
THE COMMISSIONER OF BUSINESS)	ORDER SUMMARILY REVOKING
OVERSIGHT,)	INVESTMENT ADVISER CERTIFICATE
)	OF LAKESIDE VIRTUAL FAMILY
Complainant,)	OFFICE, LLC PURSUANT TO
)	CORPORATIONS CODE SECTION 25242
v.)	
)	
LAKESIDE VIRTUAL FAMILY OFFICE,)	
LLC,)	
)	
Respondent.)	
)	

The Commissioner of Business Oversight (Commissioner) of the Department of Business Oversight (Department) finds the following:

I.
Statement of Facts

1. On or around May 20, 2014, Lakeside Virtual Family Office, LLC (Lakeside) was granted a certificate as an investment adviser by the Commissioner pursuant to the Corporate Securities Law of 1968, Corporations Code section 25000 *et seq.* (CSL) and the regulations promulgated thereunder.

2. At all relevant times, Lakeside’s business address on file with the Commissioner was 4450 Lakeside Drive, Suite 350, Toluca Lake, California 91505.

3. At all relevant times, Richard Wells Gayton (Gayton) was the owner and chief executive officer of Lakeside. Gayton’s business address on file with the Commissioner is 4450 Lakeside Drive, Suite 350, Toluca Lake, California 91505.

4. In or around July 2017, the Commissioner’s examiner made multiple attempts to contact Lakeside to schedule a regulatory examination pursuant to Corporations Code section 25241.

5. On or around August 17, 2017 and on September 21, 2017, the Commissioner’s examiner sent a letter via certified mail to Lakeside’s business address as listed on its Form ADV and website directing Lakeside to contact the Department to schedule a regulatory examination (August 17 and September 21 Letters). On December 18, 2017, the Department personally served Gayton as agent on behalf of Lakeside with the August 17 and September 21 Letters.

6. Having received no response from Lakeside on January 10, 2018, the Department issued a Demand for Production of Books and Records Pursuant to Corporations Code section 25241, subdivisions (a) and (c), demanding Lakeside to respond by no later than January 22, 2018.

7. On January 22, 2018, Lakeside notified the Department that it intended to surrender its investment adviser certificate as its business “closed effective December 2017,” but Lakeside did not comply with Corporations Code section 25242, subdivision (a) and California Code of Regulations, Title 10, section 260.242, subsection (b) to surrender its investment adviser certificate.

II.

Applicable Law

8. Corporations Code section 25242, subdivisions (a) and (b) provide:

(b) If the commissioner finds that any broker–dealer or investment adviser is no longer in existence, or has ***ceased to do business as a broker–dealer or investment adviser***, or is subject to an adjudication of mental incompetence or to the control of a committee or conservator or guardian, or cannot be located after reasonable search, the commissioner may by order summarily revoke the certificate of that broker–dealer or investment adviser. (Emphasis added.)

1 NOW, BASED UPON THE FOREGOING, AND GOOD CAUSE APPEARING, it is
2 hereby ORDERED under the provisions of Corporations Code section 25242, subdivision (b) that
3 the investment adviser certificate of Lakeside Virtual Family Office, LLC, having ceased to do
4 business as an investment adviser, be summarily revoked, effective immediately on the date of this
5 order.

6 This revocation precludes Lakeside Virtual Family Office, LLC from engaging in normal
7 investment adviser activities that solicit or facilitate new business, including for existing clients,
8 effective immediately. This revocation does not preclude Lakeside Virtual Family Office, LLC
9 from engaging in activities necessary to wind down the business such as liquidating transactions,
10 transferring accounts, forwarding any checks received to the clearing firm, responding to regulatory
11 inquiries, filing U-5's for registered representatives, and otherwise fielding client or customer
12 phone calls for account servicing or document requests, for a period of sixty days from the date of
13 this order. After that time, the winding down of the investment adviser business must be completed
14 and Lakeside Virtual Family Office, LLC is not permitted to engage in any further investment
15 adviser activities.

16 Dated: February 13, 2018
17 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

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20 By _____
21 MARY ANN SMITH
22 Deputy Commissioner
23 Enforcement Division
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